

## COMPANY PROFILE

PICC Property and Casualty Company Limited (the “Company”) was established in July 2003 with The People’s Insurance Company of China, later renamed as PICC Holding Company (“PICC Holding”) as its sole promoter. The Company became the first domestic financial enterprise to list overseas when the Company successfully listed on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) on 6 November 2003 through the issuance of 3,455,980,000 H Shares. The Company currently has a total share capital of 11,141,800,000 shares, of which 69% are held by PICC Holding and 9.9% are held by American International Group, Inc. (“AIG”), a strategic investor of the Company. As of the end of 2005, the Company had 61,448 employees.

### Strategy and Target for Development

To develop the Company, in ten to fifteen years, into a modern, knowledge-based public non-life insurance company which is the market leader in the People’s Republic of China (“PRC”) and ranks among the top non-life insurance companies around the world.

### Scope of Business

Motor vehicle insurance, commercial property insurance, homeowners insurance, cargo insurance, liability insurance, accidental injury insurance, short-term health insurance, hull insurance, surety insurance, which are denominated in RMB and foreign currencies, together with the reinsurance of the above insurance products, and investment and fund application permitted under the relevant laws and regulations of the PRC.

### Corporate Culture

- Mission: people’s insurance benefits people’s livelihood.
- Corporate Spirit: practicality, integrity, devotion and innovation.
- Core Values: build on the principle of integrity, operate from a solid and healthy foundation, achieve eminence, requite the society.
- Approach to Operation: market-oriented and customer-centered.

### Competitive Advantages

- Brand Recognition. With 57 years of operating history, the “PICC” brand enjoys a prominent reputation in the PRC market and has influences in the international insurance market.
- Leading Market Position. The Company has a leading position in the non-life insurance market in mainland China, with a market share of 51.5% in 2005.
- Personnel Advantages. The Company has nurtured and trained a large number of insurance specialists and has an outstanding workforce with extensive expertise, proficient technical skills and distinctive commitment.
- Extensive Network. With more than 4,500 branches nationwide, the Company has the most extensive distribution network among all property and casualty insurance companies in the PRC. The service line 95518 and e-picc.com electronic commerce platform of the Company provide various insurance services 7 days 24 hours to customers.
- Solid Customer Base. The Company has strong capabilities in product development and customer service to meet customer needs, and has the largest and the most stable customer base in the non-life insurance market in mainland China.
- Technical Advantages. The Company has comprehensive and mature technical expertise in and information platform for core capabilities such as underwriting, claims management and product development.
- Data Advantages. The extensive operational data accumulated by the Company over the years provides a solid foundation for analysis and decision-making, and furthers the Company to have a thorough understanding of the non-life insurance market in mainland China.